



chair **John Chiang**
member **Jerome E. Horton**
member **Ana J. Matosantos**

State of California
Franchise Tax Board

06.20.11

To: Selvi Stanislaus

From: Jeanne Harriman

Subject: Board Approval for Facility Action Items

Memorandum

This memorandum provides information for your notification to the Board pursuant to the Board's resolution requiring approval for Facility Action Items.

Sacramento Data Center Three Page Estimate

The Technology Services Division is requesting the Board's approval to submit a CRUISE request to the Department of General Services Project Management Branch. This request is for a Three Page Estimate to determine the cost feasibility of expanding the Sacramento Data Center to the unused partition of raised floor which is currently used as office space. The removal of one wall and the construction of two additional walls would be required as part of the work. This estimate report will allow FTB to determine if the cost would be under the capital outlay threshold as well as determining the overall cost and time frame that would be necessary to convert the office space into a functioning part of the Data Center.

Modular Furniture Purchase Delegation for Leased Facilities

The Department of General Services (DGS) controls modular furniture purchasing and planning. FTB Facilities would like to approach DGS for a delegation to complete modular projects in-house as this method is faster and more cost effective. This Board Item is not a request to complete a specific modular furniture project, but rather to obtain approval to work with DGS and obtain a delegation to complete future projects without DGS assistance for individual projects costing up to \$10,000.

Facilities Master Plan Update for Central Office Campus

Over the next five years FTB will undergo many changes with the Enterprise Data to Revenue (EDR) and PIT Scan & Shred projects which are expected to directly impact the buildings at the FTB Central Office Campus. In the interest of long-range planning, the Facilities Management Section is proposing to update its strategic Facilities Master Plan that will analyze FTB's processes, growth patterns, transportation practices, and existing floor space to determine if renovations, relocation and/or new tenancy are required at the Central Office. It is recommended that this update occur now as many of FTB's proposed process changes are scheduled to begin in the next few years. With this request, FTB would work with DGS to hire a consultant for the Master Plan at an estimated cost of \$100,000.

Investigations Bureau Relocation to the Central Office Campus

FTB is requesting to renovate approximately 12,000 square feet of records storage space at its Central Office for a consolidation of FTB's Northern California Criminal Investigations program now housed in leased space in Sacramento, California. The current location is at capacity and contiguous space is not available to accommodate the expanding workloads requiring larger support areas and confidential secured storage. Further, this move would save FTB approximately \$135,000 annually in rents and allow FTB to utilize existing space that would otherwise be vacant following the approaching reduction of departmental paper documents storage. FTB is proposing that DGS utilize money from the rental account reserves that DGS maintains from rents paid by agencies for space assignments at state-owned facilities.

FTB State-Owned Properties – Facility Sustainability Projects

FTB Facilities Management staff is requesting to amend its approved September 2010 Facility Action Item that authorized FTB to pursue future facility sustainability projects in its state-owned space holdings to be funded through a tenant improvement (TI) allowance made available from rental account reserves that DGS maintains from rents paid by agencies for space assignments at state-owned facilities. As noted in the September 2010 Facility Action item, FTB and DGS continue to collectively review the department's existing state owned portfolio and when feasible proceed with a CRUISE request to pursue sustainability projects that yield annual savings. With this request, FTB is seeking approval for authorization to utilize these funds, as an additional means to invest in sustainability projects in the event that DGS TI funds are unavailable.

Jeanne Harriman

Director, Financial Management Bureau